

REQUEST FOR COUNCIL ACTION

MEETING

DATE: 7/7/03

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AGENDA SECTION: CONSENT AGENDA	ORIGINATING DEPT: PUBLIC WORKS	ITEM NO: D-40
ITEM DESCRIPTION: Consulting Engineering Service Agreement For Design of Water Reclamation Plant Expansion		PREPARED BY: Richard Freese <i>RF</i>
<p>The Water Reclamation Plant is approaching its design capacity and because of the continuing growth in the City an expansion of the plant will be required during the next three years. An application for the renewal of the plant's NPDES permit has been submitted to the Minnesota Pollution Control Agency and requirements of the permit are currently being negotiated. The Permit Application includes information regarding projected growth of the City and the need for an expansion of the WRP from its current capacity of 18.5 MGD (million gallons per day) to 25.5 MGD (2025 capacity) and planning for a future 40.0 MGD plant (2055 capacity).</p> <p>A Request For Proposals for professional engineering services related to the design of an expansion to the Water Reclamation Plant were sent to five national consulting engineering firms in early April 2003. Each of these firms has expressed over the past 2-5 years great interest in providing professional engineering services for the plan expansion. Written proposals were received from four of the firms on May 9, 2003. The five firms receiving the Request for Proposals were all very well qualified and each has completed many similar projects as the one anticipated for the WRP. All five (5) firms were recently rated in the Top 10 for 2002 by Engineering News Record. The four firms submitting proposal were:</p> <p>Black & Veatch Corporation CH2M HILL, Inc. Earth Tech HDR Engineering, Inc.</p> <p>A committee of six city staff reviewed the written proposals and formal oral interviews were conducted by the committee on June 12 and June 16. Members of the evaluation committee included: Richard Freese, Doug Nelson, Doug Knott, and Lyle Zimmerman, Chet Welle and David Lane from the WRP staff.</p> <p>The review committee members independently evaluated each firm's written proposal and rated each firm on 1 parameters relative to experience, project management and cost control, and project approach to completing the work. CH2M HILL was ranked first by five of the six reviewers and second by one. The consensus of the committee was that CH2M HILL should be retained for the preliminary and final design of the WRP expansion project. CH2M HILL made the following financial commitments in their proposal:</p> <ul style="list-style-type: none">➤ CH2M HILL will redesign the project at no cost to the City if the treatment plant does not meet NPDES discharge permit limits➤ CH2M HILL will directly supervise the operation of the plant at no cost to the City if the treatment plant does not meet NPDES discharge permit limits➤ CH2M HILL will pay to the City liquidated damages if they fail to complete the design by the agreed upon date➤ CH2M HILL will redesign the project at no cost to the City if the construction bids exceed the engineer's estimate➤ CH2M HILL will design and build Immediate Capacity Improvements that could provide an additional 10% increase in the capacity of the existing plant		

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Evaluation of an engineering consultant for professional services is based on qualifications. Each of the firms was also required to submit a cost proposal for the preliminary and final design phases of the project. The cost proposal for the preliminary design phase was for the scope of work anticipated by each firm. This cost proposal and scope of work will be used as the basis for negotiating a professional services contract. During the preliminary design many alternatives will be evaluated and those to be included in the final design will be selected. A contract amendment for the final design will then be negotiated based on the selected alternatives and scope of work identified during the preliminary design.

There were significant differences in the fees estimated by the four firms for each phase of the design, but the estimated fees for the total design (preliminary and final) were relatively close. Three of the firms estimated total fees were within 2.5% of each other and the fourth firm was approximately 24% higher. The estimated fees for the total design (preliminary and final) ranged from \$1,394,400 to \$1,733,000. CH2M HILL's estimated fees for the total design (Immediate Capacity Improvements, preliminary and final) was the lowest at \$1,394,400.

The members of the staff evaluation committee recommend that authorization be given to the Public Works Director, WRP Manager, and City Administrator to negotiate with CH2MHill a Professional Services Agreement that includes a scope of work and related cost for the review and design of immediate capacity improvements, review of existing plant capacities, and the preliminary design phase for the expansion of the WRP. The negotiated Contract will come back to the City Council for final authorization within the next 30 days. The final design contract amendment will be negotiated at a later date with the final terms to be approved by the City Council.

COUNCIL ACTION REQUESTED

It is requested that authorization be given to the Public Works Director, WRP Manager and City Administrator to negotiate a contract for professional service with CH2M HILL, Inc. for the preliminary design phase of an expansion to the Water Reclamation Plant, evaluation and design of Immediate Capacity Improvements and review of the condition and capacity of existing WRP facilities.

COUNCIL ACTION: Motion by: _____ Second by: _____ To: _____
